

# **Required Supplementary Information**

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## Real Property Deferred Annual Sustainment and Restoration

*Sustainment* is the maintenance and repair activities necessary to keep the Department's real property (buildings, structures, and utilities) in good working order. It includes regularly scheduled adjustments and inspections, preventive maintenance tasks, and emergency response and service calls for minor repairs. It also includes major repairs or replacement of facility components (usually accomplished by contract) that are expected to occur periodically throughout the life cycle of facilities. This work includes regular roof replacement, refinishing of wall surfaces, repairing and replacement of heating and cooling systems, replacing tile and carpeting, and similar types of work. It does not include environmental compliance costs, facility leases, or other tasks associated with facilities operations (such as custodial services, grounds services, waste disposal, and the provision of central utilities). The Department's fiscal year 2004 sustainment requirements were \$7.8 billion and DoD received \$5.7 billion to fund these requirements leaving a deferred sustainment requirement of \$2.1 billion this year. The Department's deferred sustainment trend for the past few years is summarized in the table below:

Annual Deferred Sustainment Trend (\$ Millions)					
Property Type	FY 2000*	FY 2001	FY 2002	FY 2003	FY 2004
Buildings, Structures, and Utilities	\$629	\$2,036	\$1,762	\$1,555	\$2,127

\* = Army data only

*Restoration* is the restoration of the Department's real property (buildings, structures, and utilities) to such a condition that it may be used for its designated purpose. Restoration includes repair or replacement work to restore facilities damaged by inadequate sustainment, excessive age, natural disaster, fire, accident, or other causes. *Modernization* is the alteration or replacement of facilities solely to implement new or higher standards, to accommodate new functions, or to replace building components that typically last more than 50 years (such as the framework or foundation).

The Department's restoration and modernization requirements have steadily increased over the past few years from \$41.2 billion in fiscal year 2002, to \$67.2 billion in fiscal year 2003, to \$73.6 billion this year.

## Military Equipment Deferred Maintenance

Depot maintenance requirements for military equipment are developed during the annual budget process. The depot maintenance requirements for individual items are determined by considering numerous factors. Analysis factors include: changes in the fleet size or in-use inventory; the date of last overhaul or operating hours since last overhaul; the current maintenance engineering plan expressed as a time interval or as an operational factor; and the planned operating tempo expressed in miles, flying hours, or steaming hours.

The depot maintenance cost for each major program is determined using costing models. Fiscal constraints determine requirements that are funded. The deferred maintenance numbers reported in the table below reflect the difference in funding received versus these requirements.

Military Equipment Type	Deferred Maintenance (\$ Millions)
Aircraft	\$148.5
Ships	\$97.6
Missiles	\$201.2
Combat Vehicles	\$168.8
Other Weapon Systems	\$511.1
<b>Total</b>	<b>\$1,127.2</b>

## Intragovernmental Accounts

The intragovernmental amounts displayed in the following schedules, Part A, B, and C represent transactions between the Department and other federal entities.

<b>Schedule, Part A: DoD Intragovernmental Entity Assets as of September 30, 2004</b>					
<b>Balances reflect amounts on the books of DoD Components in regard to transactions with other federal entities</b>					
<b>(Amounts in Millions)</b>	<b>Treasury Index</b>	<b>Fund Balance with Treasury</b>	<b>Accounts Receivable</b>	<b>Investments:</b>	<b>Other:</b>
Unidentifiable Federal Agency Entity (Other than DoD entities)	00		\$0.1		
Architect of the Capitol	01		\$0.2		
Library of Congress	03		\$0.1		\$0.9
Government Printing Office	04		\$1.2		\$0.0
The Judiciary	10		\$0.1		
Executive Office of the President	11		\$0.7		
Department of Agriculture	12		\$6.6		\$0.9
Department of Commerce	13		\$8.3		\$17.5
Department of the Interior	14		\$356.3		\$783.0
Department of Justice	15		\$26.7		\$1.8
Department of Labor	16		\$5.8		\$0.1
United States Postal Service	18		\$0.6		
Department of State	19		\$50.8		
Department of the Treasury	20	\$289,598.9	\$19.6	\$231,069.7	\$2.2
Nuclear Regulatory Commission	31		\$0.4		
Smithsonian Institution	33		\$1.6		\$0.0
Department of Veterans Affairs	36		\$17.2		
General Service Administration	47		\$36.5		
National Science Foundation	49		\$7.3		\$2.2
Securities and Exchange Commission	50		\$0.5		
Central Intelligence Agency	56		\$15.5		
Federal Emergency Management Agency	58		\$64.3		
National Labor Relations Board	63		\$0.3		
Environmental Protection Agency	68		\$31.1		\$6.0
Department of Transportation	69		\$90.0		\$145.3
Homeland Security	70		\$207.5		\$17.9
Agency for International Development	72		\$3.8		
Small Business Administration	73		\$1.2		\$2.3
Department of Health and Human Services	75		\$36.2		\$0.2
National Aeronautics and Space Administration	80		\$52.0		\$21.6
Armed Forces Retirement Home	84		\$0.3		
Department of Housing and Urban Development	86		\$0.1		
Department of Energy	89		\$44.9		\$10.0
Selective Service System	90		\$0.2		
Department of Education	91		\$0.3		
Independent Agencies	95		\$20.2		
The General Fund of the Treasury	99		\$9.8		
<b>Total</b>		<b>\$ 289,598.9</b>	<b>\$ 1,118.3</b>	<b>\$ 231,069.7</b>	<b>\$ 1,011.9</b>

**Schedule, Part B: DoD Intragovernmental Entity Liabilities as of September 30, 2004**

Balances reflect amounts on the books of DoD Components in regard to transactions with other federal entities

(Amounts in Millions)	Treasury Index	Accounts Payable	Debts/Borrowings From Other Agencies	Other:
Library of Congress	03	\$1.0		
Government Printing Office	04	\$7.0		
Executive Office of the President	11	\$0.0		\$230.2
Department of Agriculture	12	\$14.4		\$0.1
Department of Commerce	13	\$9.9		\$34.2
Department of the Interior	14	\$39.2		\$1.2
Department of Justice	15	\$3.8		\$0.2
Department of Labor	16	\$154.5		\$1,672.7
United States Postal Service	18	\$1.2		
Department of State	19	\$33.5		\$2.6
Department of the Treasury	20	\$267.5	\$591.8	\$459.1
Office of Personnel Management	24	\$45.9		\$262.3
Federal Communications Commission	27	\$4.9		
Social Security Administration	28	\$0.0		\$1.5
Nuclear Regulatory Commission	31	\$0.1		
Department of Veterans Affairs	36	\$19.8		\$0.1
General Service Administration	47	\$932.8		\$40.9
National Science Foundation	49	\$3.6		
Central Intelligence Agency	56	\$0.0		\$0.5
Federal Emergency Management Agency	58	\$0.0		\$0.1
Tennessee Valley Authority	64	\$10.1		
Environmental Protection Agency	68	\$25.6		
Department of Transportation	69	\$24.2		\$1.0
Homeland Security	70	\$59.0		\$74.7
Agency for International Development	72	\$7.9		\$0.3
Small Business Administration	73	\$0.2		\$0.0
Department of Health and Human Services	75	\$2.7		\$51.3
National Aeronautics and Space Administration	80	\$38.8		\$264.3
Department of Housing and Urban Development	86	\$0.1		\$3.1
Department of Energy	89	\$161.5		\$58.3
Department of Education	91	\$0.1		\$0.6
The General Fund of the Treasury	99	\$19.1		\$7,567.6
<b>Total</b>		<b>\$ 1,888.4</b>	<b>\$ 591.8</b>	<b>\$ 10,726.9</b>

## Schedule, Part C: DoD Intragovernmental Revenues as of September 30, 2004

Balances reflect amounts on the books of DoD Components in regard to transactions with other federal entities

(Amounts in Millions)	Treasury Index	Earned Revenue
Unidentifiable Federal Agency Entity (Other than DoD entities)	00	\$0.1
Architect of the Capitol	01	\$4.7
Library of Congress	03	\$1.6
Government Printing Office	04	\$1.5
General Accounting Office	05	\$0.5
Other Legislative Branch Agencies	09	
The Judiciary	10	\$0.1
Executive Office of the President	11	\$928.3
Department of Agriculture	12	\$89.5
Department of Commerce	13	\$52.0
Department of the Interior	14	\$88.1
Department of Justice	15	\$238.2
Department of Labor	16	\$9.2
United States Postal Service	18	\$2.3
Department of State	19	\$193.8
Department of the Treasury	20	\$11,187.6
Office of Personnel Management	24	\$0.1
Social Security Administration	28	\$0.2
Federal Trade Commission	29	\$0.4
Nuclear Regulatory Commission	31	\$2.5
Smithsonian Institution	33	\$11.9
Department of Veterans Affairs	36	\$50.4
Pennsylvania Avenue Development Corp	42	\$0.2
General Service Administration	47	\$43.3
National Science Foundation	49	\$82.3
Securities and Exchange Commission	50	\$0.5
Advisory Commission on Intergovernmental Relations	55	\$0.3
Central Intelligence Agency	56	\$48.4
Federal Emergency Management Agency	58	\$78.8
Railroad Retirement Board	60	\$0.1
Tennessee Valley Authority	64	\$0.8
Environmental Protection Agency	68	\$118.3
Department of Transportation	69	\$388.6
Homeland Security	70	\$1,074.2
Agency for International Development	72	\$81.9
Small Business Administration	73	\$0.2
Department of Health and Human Services	75	\$153.0
Independent Agencies	76	\$0.3
National Aeronautics and Space Administration	80	\$324.5
Export-Import Bank of the United States	83	\$0.1
Department of Housing and Urban Development	86	\$8.4
National Archives and Records Administration	88	\$0.1
Department of Energy	89	\$113.2
Selective Service System	90	\$0.1
Department of Education	91	\$1.5
Independent Agencies	95	\$46.9
The General Fund of the Treasury	99	(\$146.3)
<b>Total</b>		<b>\$15,282.7</b>

**Schedule, Part D: DoD Intragovernmental Revenues as of September 30, 2004**

(Amounts in Millions)	Budget Function Code	Gross Cost
Department of Defense Military	51	\$22,410.5
Water Resources by U.S. Army Corps of Engineers	301	\$890.8
Pollution Control and Abatement by U.S. Army Corps of Engineers	304	\$2.5
Veterans Education, Training, and Rehabilitation by Department of Defense Education Benefits Trust Fund	702	\$270.7
<b>Total</b>		<b>\$23,574.5</b>

**Schedule, Part E: DoD Intragovernmental Nonexchange Revenues as of September 30, 2004**

(\$Amounts in Millions)	Treasury Index	Transfers In	Transfers Out
Executive Office of the President	11	\$10,253.6	
Department of Agriculture	12		\$0.8
Department of Commerce	13		\$0.1
Department of the Interior	14	\$69.1	\$0.4
Department of the Treasury	20		\$4.1
General Service Administration	47		\$0.0
Tennessee Valley Authority	64		\$1.9
Department of Transportation	69	\$2.8	
Homeland Security	70	(\$2,843.3)	\$0.2
Department of Energy	89	\$246.7	
The General Fund of the Treasury	99	\$774.0	\$775.5
<b>Total</b>		<b>\$8,502.9</b>	<b>\$783.0</b>

## STATEMENT OF DISAGGREGATED BUDGETARY RESOURCES

DEPARTMENT OF DEFENSE YEAR ENDING SEPTEMBER 30, 2004 (\$ IN MILLIONS)	Military Retirement Fund	DoD Medicare- Eligible Retiree Health Care Fund	Other	Research, Development, Test & Evaluation	Civil Works	Operation and Maintenance
<b>BUDGETARY FINANCING ACCOUNTS</b>						
<b>BUDGETARY RESOURCES</b>						
Budget Authority:						
Appropriations received	\$ 42,256.8	25,100.3	55,133.3	61,784.4	5,141.2	182,105.8
Borrowing authority	0.0	0.0	0.0	0.0	0.1	0.0
Contract authority	0.0	0.0	496.5	0.0	0.0	0.0
Net transfers (+/-)	0.0	0.0	-3,239.9	-161.7	206.9	4,720.2
Other	0.0	0.0	0.0	0.0	0.0	0.0
Unobligated balance:						
Beginning of period	176,029.0	18,182.4	11,873.3	6,815.6	1,850.2	4,325.3
Net transfers, actual (+/-)	0.0	0.0	-3,616.7	-27.0	28.5	6,469.6
Anticipated Transfers Balances	0.0	0.0	0.0	0.0	0.0	0.0
Spending authority from offsetting collections:						
Earned	0.0	0.0	0.0	0.0	0.0	0.0
Collected	0.0	0.0	1,561.4	6,264.0	5,212.1	23,519.8
Receivable from Federal sources	0.0	0.0	112.1	11.1	64.1	942.8
Change in unfilled customer orders	0.0	0.0	0.0	0.0	0.0	0.0
Advance received	0.0	0.0	13.1	282.0	29.7	32.6
Without advance from Federal sources	0.0	0.0	87.2	931.9	272.6	614.8
Anticipated for the rest of year, without advances	0.0	0.0	0.0	0.0	0.0	0.0
Transfers from trust funds	0.0	0.0	0.0	0.0	0.0	0.0
Subtotal	0.0	0.0	1,773.8	7,489.0	5,578.5	25,110.0
Recoveries of prior year obligations	0.0	0.0	1,039.3	2,337.9	0.0	14,279.7
Temporarily not available pursuant to Public Law	0.0	0.0	0.0	0.0	-10.0	0.0
Permanently not available	0.0	0.0	-3,609.1	-892.1	-29.1	-2,149.6
<b>Total Budgetary Resources</b>	<b>\$ 218,285.8</b>	<b>43,282.7</b>	<b>59,850.5</b>	<b>77,346.1</b>	<b>12,766.3</b>	<b>234,861.0</b>
Obligations incurred:						
Direct	\$ 37,152.6	5,196.8	26,230.3	62,366.3	5,615.2	200,759.2
Reimbursable	0.0	0.0	24,233.7	6,822.1	5,457.8	11,646.5
Subtotal	37,152.6	5,196.8	50,464.0	69,188.4	11,073.0	212,405.7
Unobligated balance:						
Apportioned	0.0	206.6	2,754.2	8,717.0	1,234.1	15,722.5
Exempt from apportionment	181,133.1	0.0	1,732.8	0.0	459.1	0.0
Other available	0.1	0.0	0.0	0.0	0.0	0.0
Unobligated Balances Not Available	0.0	37,879.3	4,899.4	-559.3	0.1	6,732.7
<b>Total, Status of Budgetary Resources</b>	<b>\$ 218,285.8</b>	<b>43,282.7</b>	<b>59,850.4</b>	<b>77,346.1</b>	<b>12,766.3</b>	<b>234,860.9</b>
<b>Relationship of Obligations to Outlays:</b>						
Obligated Balance, Net - beginning of period	\$ 2,963.0	267.8	9,396.4	25,116.2	1,007.6	68,720.3
Obligated Balance transferred, net (+/-)	0.0	0.0	0.0	-1.5	0.0	-12.6
Obligated Balance, Net - end of period:						
Accounts receivable	0.0	0.0	-268.6	-655.6	-224.7	-3,223.1
Unfilled customer order from Federal sources	0.0	0.0	-250.6	-2,950.6	-1,907.8	-8,261.1
Undelivered orders	0.0	132.8	2,918.1	29,028.1	2,022.9	67,700.7
Accounts payable	3,120.2	129.2	5,205.5	1,811.5	1,148.3	15,388.5
Outlays:						
Disbursements	36,995.4	5,202.5	51,017.5	63,788.8	10,705.3	193,671.0
Collections	0.0	0.0	-1,574.5	-6,546.0	-5,241.7	-23,552.4
Subtotal	36,995.4	5,202.5	49,443.0	57,242.8	5,463.6	170,118.6
Less: Offsetting receipts	-18,189.0	-25,342.4	-1,307.3	0.0	-1,592.3	0.0
<b>Net Outlays</b>	<b>\$ 18,806.4</b>	<b>-20,139.9</b>	<b>48,135.7</b>	<b>57,242.8</b>	<b>3,871.3</b>	<b>170,118.6</b>

## STATEMENT OF DISAGGREGATED BUDGETARY RESOURCES

DEPARTMENT OF DEFENSE YEAR ENDING SEPTEMBER 30, 2004 (\$ IN MILLIONS)	Procurement	Military Personnel	Military Construction/ Family Housing	Working Capital Funds	2004 Combined	2003 Combined
<b>BUDGETARY FINANCING ACCOUNTS</b>						
<b>BUDGETARY RESOURCES</b>						
Budget Authority:						
Appropriations received	\$ 82,247.4	117,516.5	7,005.4	3,719.5	582,010.7	546,761.4
Borrowing authority	0.0	0.0	0.0	0.0	0.1	0.0
Contract authority	0.0	0.0	0.0	34,359.2	34,855.8	28,109.0
Net transfers (+/-)	709.1	-1,402.1	96.9	-1,448.6	-519.3	1,000.3
Other	0.0	0.0	0.0	0.0	0.0	0.0
Unobligated balance:						
Beginning of period	21,248.9	966.2	4,533.0	10,835.2	256,659.0	217,722.3
Net transfers, actual (+/-)	857.5	-413.3	-192.7	-2,323.9	782.0	204.3
Anticipated Transfers Balances	0.0	0.0	0.0	0.0	0.0	0.0
Spending authority from offsetting collections:						
Earned	0.0	0.0	0.0	0.0	0.0	0.0
Collected	2,155.4	1,531.5	4,028.2	102,003.9	146,274.3	135,587.2
Receivable from Federal sources	-255.0	-338.8	131.5	-747.3	-79.7	-714.6
Change in unfilled customer orders	0.0	0.0	0.0	0.0	0.0	0.0
Advance received	34.9	0.0	205.9	-237.7	360.5	-30.6
Without advance from Federal sources	296.7	14.8	713.4	-1,951.5	980.0	11,000.9
Anticipated for the rest of year, without advances	0.0	0.0	0.0	0.0	0.0	0.0
Transfers from trust funds	0.0	0.0	0.0	0.0	0.0	0.0
Subtotal	2,232.0	1,207.5	5,077.0	99,067.4	147,535.1	145,842.9
Recoveries of prior year obligations	5,180.5	9,028.7	1,259.6	556.0	33,681.9	22,841.9
Temporarily not available pursuant to Public Law	0.0	0.0	0.0	0.0	-10.0	0.0
Permanently not available	-1,450.5	-495.0	-512.2	-31,200.4	-40,338.0	-33,730.4
<b>Total Budgetary Resources</b>	<b>\$ 111,024.9</b>	<b>126,408.5</b>	<b>17,267.0</b>	<b>113,564.4</b>	<b>1,014,657.3</b>	<b>928,751.7</b>
Obligations incurred:						
Direct	94,810.7	128,073.8	6,740.7	1,108.1	568,053.7	522,562.4
Reimbursable	-3,952.2	-3,829.7	5,880.7	106,400.1	152,658.9	147,147.8
Subtotal	90,858.5	124,244.1	12,621.4	107,508.2	720,712.6	669,710.2
Unobligated balance:						
Apportioned	19,137.4	977.0	4,599.7	5,282.5	58,631.0	55,052.1
Exempt from apportionment	0.0	0.0	0.0	163.1	183,488.1	180,704.3
Other available	0.0	0.0	0.0	0.0	0.3	-0.1
Unobligated Balances Not Available	1,029.0	1,187.5	46.0	610.6	51,825.3	23,285.3
<b>Total, Status of Budgetary Resources</b>	<b>\$ 111,024.9</b>	<b>126,408.6</b>	<b>17,267.1</b>	<b>113,564.4</b>	<b>1,014,657.3</b>	<b>928,751.7</b>
<b>Relationship of Obligations to Outlays:</b>						
Obligated Balance, Net - beginning of period	\$ 74,419.4	7,825.8	7,369.3	17,286.1	214,371.9	181,919.4
Obligated Balance transferred, net (+/-)	0.0	0.0	0.0	0.0	-14.1	-23.9
Obligated Balance, Net - end of period:						
Accounts receivable	-328.8	-252.2	-246.1	-4,937.8	-10,136.8	-10,216.4
Unfilled customer order from Federal sources	-1,712.9	-13.9	-4,521.6	-19,783.4	-39,402.0	-38,422.1
Undelivered orders	78,721.7	2,617.5	11,262.5	34,396.8	228,801.3	213,597.8
Accounts payable	6,083.2	5,906.1	852.7	13,825.5	53,470.6	49,412.6
Outlays:						
Disbursements	77,292.3	115,107.6	10,538.7	103,436.1	667,755.1	604,105.8
Collections	-2,190.3	-1,531.5	-4,232.1	-101,766.2	-146,634.7	-135,556.8
Subtotal	75,102.0	113,576.1	6,306.6	1,669.9	521,120.4	468,549.0
Less: Offsetting receipts	0.0	-115.4	0.0	0.0	-46,546.4	-43,294.0
<b>Net Outlays</b>	<b>\$ 75,102.0</b>	<b>113,460.7</b>	<b>6,306.6</b>	<b>1,669.9</b>	<b>474,574.0</b>	<b>425,255.0</b>

STATEMENT OF DISAGGREGATED BUDGETARY RESOURCES

DEPARTMENT OF DEFENSE YEAR ENDING SEPTEMBER 30, 2004 (\$ IN MILLIONS)	Military Retirement Fund	DoD Medicare- Eligible Retiree Health Care Fund	Other	Research, Development, Test & Evaluation	Civil Works	Operation and Maintenance
<b>NONBUDGETARY FINANCING ACCOUNTS</b>						
<b>BUDGETARY RESOURCES</b>						
Budget Authority:						
Appropriations received	\$ 0.0	0.0	0.0	0.0	0.0	0.0
Borrowing authority	0.0	0.0	114.6	0.0	0.0	0.0
Contract authority	0.0	0.0	0.0	0.0	0.0	0.0
Net transfers (+/-)	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
Unobligated balance:						
Beginning of period	0.0	0.0	21.8	0.0	0.0	0.0
Net transfers, actual (+/-)	0.0	0.0	0.0	0.0	0.0	0.0
Anticipated Transfers Balances	0.0	0.0	0.0	0.0	0.0	0.0
Spending authority from offsetting collections:						
Earned						
Collected	0.0	0.0	17.4	0.0	0.0	0.0
Receivable from Federal sources	0.0	0.0	-0.6	0.0	0.0	0.0
Change in unfilled customer orders	0.0	0.0	0.0	0.0	0.0	0.0
Advance received	0.0	0.0	0.0	0.0	0.0	0.0
Without advance from Federal sources	0.0	0.0	47.2	0.0	0.0	0.0
Anticipated for the rest of year, without advances	0.0	0.0	0.0	0.0	0.0	0.0
Transfers from trust funds	0.0	0.0	0.0	0.0	0.0	0.0
Subtotal	0.0	0.0	64.0	0.0	0.0	0.0
Recoveries of prior year obligations	0.0	0.0	0.0	0.0	0.0	0.0
Temporarily not available pursuant to Public Law	0.0	0.0	0.0	0.0	0.0	0.0
Permanently not available	0.0	0.0	20.7	0.0	0.0	0.0
<b>Total Budgetary Resources</b>	<b>\$ 0.0</b>	<b>0.0</b>	<b>221.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Obligations incurred:						
\$						
Direct	0.0	0.0	196.6	0.0	0.0	0.0
Reimbursable	0.0	0.0	0.0	0.0	0.0	0.0
Subtotal	0.0	0.0	196.6	0.0	0.0	0.0
Unobligated balance:						
Apportioned	0.0	0.0	1.4	0.0	0.0	0.0
Exempt from apportionment	0.0	0.0	0.0	0.0	0.0	0.0
Other available	0.0	0.0	0.0	0.0	0.0	0.0
Unobligated Balances Not Available	0.0	0.0	23.1	0.0	0.0	0.0
<b>Total, Status of Budgetary Resources</b>	<b>\$ 0.0</b>	<b>0.0</b>	<b>221.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Relationship of Obligations to Outlays:						
Obligated Balance, Net - beginning of period	\$ 0.0	0.0	29.9	0.0	0.0	0.0
Obligated Balance transferred, net (+/-)	0.0	0.0	0.0	0.0	0.0	0.0
Obligated Balance, Net - end of period:						
Accounts receivable	0.0	0.0	0.0	0.0	0.0	0.0
Unfilled customer order from Federal sources	0.0	0.0	-83.1	0.0	0.0	0.0
Undelivered orders	0.0	0.0	238.8	0.0	0.0	0.0
Accounts payable	0.0	0.0	0.0	0.0	0.0	0.0
Outlays:						
Disbursements	0.0	0.0	24.1	0.0	0.0	0.0
Collections	0.0	0.0	-17.4	0.0	0.0	0.0
Subtotal	0.0	0.0	6.7	0.0	0.0	0.0
Less: Offsetting receipts	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net Outlays</b>	<b>\$ 0.0</b>	<b>0.0</b>	<b>6.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## STATEMENT OF DISAGGREGATED BUDGETARY RESOURCES

DEPARTMENT OF DEFENSE YEAR ENDING SEPTEMBER 30, 2004 (\$ IN MILLIONS)	Procurement	Military Personnel	Military Construction/ Family Housing	Working Capital Funds	2004 Combined	2003 Combined
<b>NONBUDGETARY FINANCING ACCOUNTS</b>						
<b>BUDGETARY RESOURCES</b>						
Budget Authority:						
Appropriations received	\$ 0.0	0.0	0.0	0.0	0.0	0.0
Borrowing authority	0.0	0.0	0.0	0.0	114.6	50.5
Contract authority	0.0	0.0	0.0	0.0	0.0	0.0
Net transfers (+/-)	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
Unobligated balance:						
Beginning of period	0.0	0.0	0.0	0.0	21.8	104.0
Net transfers, actual (+/-)	0.0	0.0	0.0	0.0	0.0	0.0
Anticipated Transfers Balances	0.0	0.0	0.0	0.0	0.0	0.0
Spending authority from offsetting collections:						
Earned	0.0	0.0	0.0	0.0	0.0	0.0
Collected	0.0	0.0	0.0	0.0	17.4	56.2
Receivable from Federal sources	0.0	0.0	0.0	0.0	-0.6	-90.0
Change in unfilled customer orders	0.0	0.0	0.0	0.0	0.0	0.0
Advance received	0.0	0.0	0.0	0.0	0.0	0.0
Without advance from Federal sources	0.0	0.0	0.0	0.0	47.2	35.8
Anticipated for the rest of year, without advances	0.0	0.0	0.0	0.0	0.0	0.0
Transfers from trust funds	0.0	0.0	0.0	0.0	0.0	0.0
Subtotal	0.0	0.0	0.0	0.0	64.0	2.0
Recoveries of prior year obligations	0.0	0.0	0.0	0.0	0.0	1.9
Temporarily not available pursuant to Public Law	0.0	0.0	0.0	0.0	0.0	0.0
Permanently not available	0.0	0.0	0.0	0.0	20.7	-0.2
<b>Total Budgetary Resources</b>	<b>\$ 0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>221.1</b>	<b>158.2</b>
Obligations incurred:	\$					
Direct	0.0	0.0	0.0	0.0	196.6	136.4
Reimbursable	0.0	0.0	0.0	0.0	0.0	0.0
Subtotal	0.0	0.0	0.0	0.0	196.6	136.4
Unobligated balance:						
Apportioned	0.0	0.0	0.0	0.0	1.4	1.3
Exempt from apportionment	0.0	0.0	0.0	0.0	0.0	0.0
Other available	0.0	0.0	0.0	0.0	0.0	-0.1
Unobligated Balances Not Available	0.0	0.0	0.0	0.0	23.1	20.6
<b>Total, Status of Budgetary Resources</b>	<b>\$ 0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>221.1</b>	<b>158.2</b>
Relationship of Obligations to Outlays:						
Obligated Balance, Net - beginning of period	\$ 0.0	0.0	0.0	0.0	29.9	-95.1
Obligated Balance transferred, net (+/-)	0.0	0.0	0.0	0.0	0.0	0.0
Obligated Balance, Net - end of period:						
Accounts receivable	0.0	0.0	0.0	0.0	0.0	-0.6
Unfilled customer order from Federal sources	0.0	0.0	0.0	0.0	-83.1	-35.8
Undelivered orders	0.0	0.0	0.0	0.0	238.8	66.3
Accounts payable	0.0	0.0	0.0	0.0	0.0	0.0
Outlays:						
Disbursements	0.0	0.0	0.0	0.0	24.1	63.6
Collections	0.0	0.0	0.0	0.0	-17.4	-56.2
Subtotal	0.0	0.0	0.0	0.0	6.7	7.4
Less: Offsetting receipts	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net Outlays</b>	<b>\$ 0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>6.7</b>	<b>7.4</b>

Required Supplementary Information  
Segment Information

As of September 30, 2004 (\$ in Millions)	Defense Information Systems Agency	Defense Commissary Agency	Joint Logistics Systems Center	Defense Security Service	Defense Logistics Agency	Defense Finance & Accounting Service	U.S. Transportation Command	Total
<b>PART A.</b>								
1. Fund Balance	\$0.0	\$271.9	\$0.0	(\$24.0)	\$0.0	\$0.0	\$652.7	\$900.6
2. Accounts Receivable	\$395.1	\$49.0	\$0.0	\$0.3	\$1,810.5	\$22.4	\$823.6	\$3,100.9
3. Property Plant and Equipment	\$350.0	\$27.8	\$119.5	\$24.3	\$1,708.3	\$841.6	\$1,135.9	\$4,207.4
4. Other Assets	\$3.3	\$442.4	\$0.0	\$0.0	\$14,920.4	\$0.1	\$68.0	\$15,434.2
<b>5. TOTAL ASSETS</b>	<b>\$748.4</b>	<b>\$791.1</b>	<b>\$119.5</b>	<b>\$0.6</b>	<b>\$18,439.2</b>	<b>\$864.1</b>	<b>\$2,680.2</b>	<b>\$23,643.1</b>
6. Liabilities Due and Payable for Goods and Services Receiv	\$919.6	\$523.8	(\$0.6)	\$1.5	\$2,555.7	\$173.7	\$1,193.0	\$5,366.7
7. Deferred Revenue	\$0.0	\$0.0	\$0.0	\$52.8	\$128.5	\$0.0	\$0.7	\$182.0
8. Other Liabilities	(\$22.8)	\$302.4	\$0.4	\$29.1	\$667.9	\$150.1	\$197.2	\$1,324.3
<b>9. TOTAL LIABILITIES</b>	<b>\$896.8</b>	<b>\$826.2</b>	<b>(\$0.2)</b>	<b>\$83.4</b>	<b>\$3,352.1</b>	<b>\$323.8</b>	<b>\$1,390.9</b>	<b>\$6,873.0</b>
10. Unexpended Appropriations	\$0.0	\$17.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$17.5
11. Cumulative Results of Operations	(\$148.4)	(\$52.6)	\$119.7	(\$82.9)	\$15,087.2	\$540.3	\$1,289.3	\$16,752.6
12. TOTAL NET POSITION	(\$148.4)	(\$35.1)	\$119.7	(\$82.9)	\$15,087.2	\$540.3	\$1,289.3	\$16,770.1
<b>13. TOTAL LIABILITIES AND NET POSITION</b>	<b>\$748.4</b>	<b>\$791.1</b>	<b>\$119.5</b>	<b>\$0.5</b>	<b>\$18,439.3</b>	<b>\$864.1</b>	<b>\$2,680.2</b>	<b>\$23,643.1</b>
<b>PART B.</b>								
1. The Full Cost of Goods and Services Provides	\$3,331.7	\$6,372.8	(\$0.6)	\$228.1	\$27,271.4	\$1,710.4	\$8,034.4	\$46,948.2
2. The Related Exchange Revenue	(\$3,362.4)	(\$5,263.4)	\$0.0	(\$221.6)	(\$27,453.4)	(\$1,728.2)	(\$8,026.1)	(\$46,055.1)
<b>3. The Excess of Costs Over Exchange Revenue</b>	<b>(\$30.7)</b>	<b>\$1,109.4</b>	<b>(\$0.6)</b>	<b>\$6.5</b>	<b>(\$182.0)</b>	<b>(\$17.8)</b>	<b>\$8.3</b>	<b>\$893.1</b>

## Narrative Related to Segment Information

- **Defense Information Systems Agency**

The Defense Information Systems Agency (DISA) is a Defense Working Capital Fund (DWCF) entity. The Defense Megacenters and the Communications Information Services Activity provide data processing, telecommunication, and information systems service and support to the Department and other federal government customers under a revolving fund concept. DISA's major customers are the Army, Navy, Air Force, DLA, and DFAS.

- **Defense Commissary Agency**

The Commissary Operations Fund finances the cost of operations for retail stores, command and region headquarters, and the operations support center. This fund also receives appropriated funds annually.

The Commissary Resale Stock Fund finances the purchases of inventory for resale items to be sold to commissary patrons. Revenues from sales are used to replace inventory sold.

- **Joint Logistics Systems Center**

On August 18, 1997, the Acting Under Secretary of Defense (Comptroller) approved the decision to terminate Joint Logistics Systems Center. All of its programs and responsibilities were returned to the individual components. FY 2004 is the seventh year JLSC operated as a residual activity. There was minimal financial activity during fiscal year 2004.

- **Defense Security Service**

Effective October 1, 1998, Defense Security Service (DSS) was transferred from a direct appropriation to a separate activity group in the DWCF. This transfer also reflected a name change from the Defense Investigative Service to the DSS. Full implementation of the DSS as a DWCF entity began with fiscal year 2000.

The DSS was chartered to administer two major programs: Personnel Security Investigations (PSI) and National Industrial Security Programs (NISP). The mission of the PSI program is to conduct background investigations on individuals assigned to or affiliated with the Department. The purpose of the NISP is to ensure that private industry, while performing on government contracts, properly safeguards classified information in its possession. The DSS also administers the Key Asset Protection Program and the Arms, Ammunition, and Explosives Program.

- **Defense Logistics Agency**

The Defense Logistics Agency (DLA) is a combat support agency responsible for worldwide logistics support throughout the DoD. The primary focus of DLA is to provide logistics support to the war fighter. In addition, DLA provides support to relief efforts during times of national emergency. DLA's major DoD customers are the Army, Navy, and Air Force. Other major federal government customers include the Department of Agriculture and the Department of Transportation. The DLA organization has active entity sub-organizations funded through the DWCF. These sub-organizations are referred to as activity groups and are as follows:

- The Supply Management Activity Group (Supply helps carry out its mission by procuring, managing and supplying consumable items to Military Departments, other DoD Components, federal agencies and selected foreign governments.
- The Distribution Depot Activity Group (Distribution receives, stores, and distributes commodities, principal end items, and depot level reparables for the Military Departments, other DoD Components, federal agencies, and selected foreign governments.
- The Defense Reutilization and Marketing Service Activity Group (DRMS provides utilization services which include receiving, classifying, segregating, demilitarizing, accounting for, and reporting excess material for screening, lotting, merchandising, and sale. They also have the mission of hazardous property disposal and the economic recovery of precious metals from excess and surplus precious metal-bearing material.
- The Information Services Activity Group provides information management support. The mission of this information services business is to provide integrated information management support by delivering products and services of increasing quality and decreasing cost, on time and within budget.
- The Defense Automated Printing Service Activity Group (DAPS) is responsible for document automation and printing within the DoD, encompassing electronic conversion, retrieval, output, and distribution of digital and hardcopy.

- **Defense Finance and Accounting Service**

Defense Finance and Accounting Service (DFAS) was created in 1991. The mission of DFAS is to provide responsive, professional finance and accounting service to the Department. DFAS has prepared the annual financial statements as required by the CFO Act and the GMRA since 1994.

- **U.S. Transportation Command**

Secretary of Defense memorandum, dated February 14, 1992, prescribed the creation of a consolidated service transportation command. United States Transportation Command (USTRANSCOM) represents the single DoD financial manager for all common-user transportation. Its components include Headquarters, USTRANSCOM (HQTRANS); (Military) Surface Deployment and Distribution Command (SDDC); Military Sealift Command (MSC); Air Mobility Command (AMC); and, Defense Courier Service (DCS). The Army and Navy continue to manage their own service-unique transportation functions.

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